

10 July 1950

MEMORANDUM FOR: ASSISTANT DIRECTOR, SPECIAL OPERATIONS

FROM: Chief, Staffs C and D

SUBJECT: Steps Necessary to Place CIA, Particularly OSO, in a Position to Adequately Fulfill Basic Responsibilities During the Present and Inevitable Future Emergencies.

I. INTRODUCTION

1. Pursuant to our recent conversations concerning the above subject, there is outlined below certain administrative and other action which it is felt should be taken as soon as possible in order to place CIA, and particularly OSO, in a position to cope with emergency responsibilities. An attempt has been made to set out these suggestions in logical order, subdividing them into action necessary to establish the jurisdiction, functions, and authority of CIA, action necessary within CIA as a whole, and action primarily necessary within OSO. However, these suggestions are not listed in strict priority order. It is realized that many of these suggestions have been made previously and duplicate ideas which already have been given considerable thought. It is felt, however, that there is some value in restating them at this time. For practical reasons, no effort has been made to present all of these proposals at this point in completely staffed form. Complete staffing of those with which you concur will, of course, be necessary and is recommended at the close of this memorandum. Nor is this memorandum being presented with any pretension that it contains proposals regarding all action which should be taken to enable CIA to meet present and future emergencies.

2. I should like to point out also that, taken en toto, these proposals represent a highly ambitious program for the strengthening of CIA to enable it to assume the position which I feel the Congress intended to give it with the passing of the National Security Act of 1947 and the CIA Act of 1949. These proposals of necessity envisage drastic changes within other offices and staffs of CIA, and also within agencies outside CIA. While the portions of the proposals envisaging such changes may well be met with bitter opposition and with some resentment, it is felt that the taking of all possible action to implement them is a responsibility which should be neither deferred nor sidestepped. Obviously, many of the suggestions may not be susceptible of immediate effectuation. However, the present crisis provides

one of the best opportunities for pressing them that has existed since the creation of CIA.

II. ACTION NECESSARY TO ESTABLISH THE JURISDICTION, FUNCTIONS, AND AUTHORITY OF CIA.

The Director of Central Intelligence should immediately make representations to the highest necessary authorities, including State, JCS, Defense, the NSC, and, if necessary, the White House and, where appropriate, Congress, to secure favorable action on the following problems:

1. The proper immediate implementation of NSC 50.
2. The authorization or reauthorization of the Director of Central Intelligence as the executive agent of the National Security Council in intelligence matters.
3. Complete revision of and additions to the NSC Intelligence Directives and, where necessary, NSC Directives, for the purpose of more clearly delineating the authority and jurisdiction of CIA, more clearly providing for a coordinated intelligence effort, and providing new authority for necessary emergency intelligence action. These directives should be written and rewritten in such a way that their practical workability and enforcement is assured.
4. Recognition of the responsibility and authority of the Director of Central Intelligence under the provision of the National Security Act of 1947, which provides "that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure". It is felt that this provision of the Act represents one of the most powerful weapons as well as one of the gravest responsibilities allocated to any U.S. agency head, and that the maximum utilization of this should be made for the purpose of establishing in fact a Central Intelligence Agency.
5. Recognition and formalization of the position of the DCI and CIA in the communications intelligence field. In this regard there is considerable logic in the position that NSCID No. 9, which set up the USCIB mechanism, is in derogation of the statutorily allocated rights and powers of the DCI. In any event, the USCIB mechanism is hopelessly pusillanimous and ineffective. Implementation of this proposal should specifically provide for a greater measure

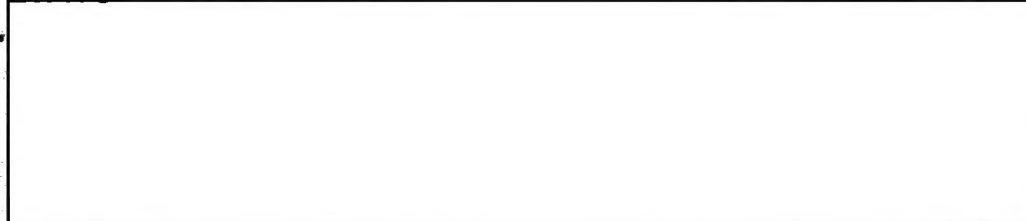
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of policy control and guidance to be exerted by CIA on the comint producing agencies. One of the gravest problems involved at the moment is the question of priorities and allocation of effort. In this connection you will recall the detailed memorandum which you submitted to the DCI some time ago, analyzing the present ineffectiveness and lack of productivity of the AFSA agencies and pointing out the desperate need for a complete overhauling of the communications intelligence effort. One of the first projects which should be undertaken is a centralized, completely coordinated attack from both the cryptanalytic and the operational procurement standpoint on the problem presented by high security Soviet cipher systems.

6. Clarification of the position of CIA, and specifically OSO, vis-a-vis the Joint Chiefs of Staff, not only at the present time but in time of war. This clarification should envisage the establishment of OSO as the intelligence arm of the JCS, in time of war at least, and its proper coordination with the JCS. Among the changes which probably should be effected immediately are those which would result in establishing closer relationships between OSO and the JCS in order that there can be a direct furnishing of necessary intelligence to the JCS and an immediate furnishing of guidance and targets from the JCS to OSO.
7. Preparation for complete wartime military integration of OSO in order that it can be put into effect at a moment's notice. While a system of military integration may not be a present necessity for other offices of CIA, it is believed that it is an immediate necessity for OSO. The implementation of this proposal should provide at least the following basic minimum points:
 - a. OSO, and if considered necessary CIA as a whole, should have its own Reserve Officer system with the power to assign, promote, train, and administer the officers therein.
 - b. OSO should have the power not only to take basic steps for the immediate integration of present OSO personnel into military status at any given time, but also to set up a reserve of competent personnel to be brought into OSO during any emergency at appropriate ranks and assignments. Specifically, in recruiting reserve personnel, OSO should have the authority to offer reserve commissions.

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9. The DCI should set up a direct, frequent, close reporting relationship with the White House, if possible with the President personally; if not, with whatever suitable assistant he may designate. It is believed that the White House would be receptive to such an arrangement.
10. Arrangements should be effected permitting CIA to requisition essential personnel from other agencies.
11. Basic planning and such action as possible should be taken now to prepare for the establishment of operational units to serve with Theater and subordinate commands in the event of extended hostilities.
12. There should be an immediate allocation of sufficient, properly located space to cover the present needs of CIA, plus the reasonable predictable needs for the near future.
13. Decentralization of CIA, and emergency and disaster contingency planning should be effected.

III. ADMINISTRATIVE AND OTHER ACTION NECESSARY WITHIN CIA, BUT NOT LIMITED TO USO.

1. Immediate advantage should be taken of the powers and authorities granted to the DCI in the National Security Act of 1947 and the CIA Act of 1949 to eliminate the maximum amount of administrative detail for the purpose of supplying the most rapid realistic support to the operations of OSO and the other offices of the Agency. This would require a revision and streamlining of regulations, procedures, and thinking with regard to the problems presented by funds, supply, travel, support, etc.

2. A realistic intensified personnel recruiting program should be instituted immediately. Without sacrificing basic security, this should be done in such manner that processing and clearances of new personnel can be completed in a maximum of thirty days. The FBI should be requested to immediately lift their limit on the number of personnel investigations they will undertake for CIA and should be requested to expedite these investigations to the greatest possible extent. Technical table of organization and similar requirements should be waived to expedite recruiting of competent personnel.

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3. There should be an immediate expansion of the appropriate sections of the Inspection and Security Staff, and particularly of the Research Branch. This is necessary in order to:

- a. Expedite the recruitment, processing, and clearance of adequate numbers of personnel.
- b. Provide the necessary operational support within the United States to OSO in the mounting and controlling of those operations which should be initiated in the U.S. although their objective is abroad.
- c. Maintain the maximum standpoints of security, which will become more difficult with the influx of new personnel and the strain of emergency situations.

4. All key positions should be staffed immediately with the best available personnel, regardless of the question of nomination by other agencies or other factors.

5. There should be an immediate review of all personnel and other assets of CIA with a view toward streamlining the operations of the Agency and reassigning personnel and facilities where necessary in order to meet the present and future emergencies. As a result of this review and reassessment, necessary personnel and facilities should immediately be transferred between offices, particularly from other offices to OSO, and administrative and staff functions throughout the Agency should be streamlined.

6. There should be a complete review of the operations, functions, and concept of the Advisory Council and consideration given to the immediate strengthening and expanding of the proper utilization of communications intelligence for guidance and other purposes.

7. Steps should be taken to place the Agency on an emergency basis and consideration given to the present or future institution of such steps as a 6-day week, required overtime, staggered shifts, cancellation of extended leave, availability of all key officers on a 2-hour basis through an information desk to be set up on a 24-hour duty schedule under the Chief Operator, etc.

IV. ACTION SPECIFICALLY NECESSARY WITHIN OSO

1. All steps should be taken immediately to place OSO on an emergency basis. All officers should keep themselves available on a 2-hour basis by call in to the Duty Officer or to an information desk to be set up under the Chief Operator. Immediate plans should

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be drawn for the action to be taken in the event of any increased emergency or disaster, including provision for emergency rendezvous, availability of weapons, necessary supplies, etc. Consideration should be given to cancellation of extended leave, a 6-day week, necessary overtime, staggered shifts, a skeleton force on duty when necessary, etc.

2. Such action as possible should be taken to move components of OSO, and particularly the Registry, to a new location where they would be less vulnerable to the possibility of enemy bombing. Sufficient equipment should be purchased and work started immediately to microfilm the files of OSO and the Director's office for safe storage in an interior area. You will recall that OAD is at present drawing up plans and figures for this project.

3. As soon as possible, we should undertake the complete re-evaluation of assets, operations, procedures, and commitments of OSO as the basis for a realignment and reallocation of our effort. Non-essential operations should be stripped in favor of the priority ones. Our assets in personnel should be reallocated on this basis to provide maximum support to the most critical areas in Headquarters and the Field.

4. Emergency action in line with the suggestions contained in Section III should be taken to completely staff OSO. All key positions presently vacant should be staffed immediately. As soon as possible all key positions should be backstopped with individuals capable of assuming them, at least temporarily, in the event of the absence of the designated incumbent.

5. IID should be doubled in space and personnel to establish an efficient Registry capable of functioning under the strain of increased emergency and of furnishing the maximum support to OSO operations.

6. TRD should be expanded to include the institution of language training, particularly in the Slavic languages; Case Officer training; and training of interrogators, photographers, field teams, etc.

7. Communications facilities should be strengthened and expanded in order to provide necessary OSO-controlled communications for any reasonable anticipated peak emergency load in any area. A program should be instituted to provide OSO with its own pouch and courier service for more rapid delivery and more adequate security.

8. Action should be instituted to provide OSO with its own emergency transportation, including aircraft.

9. Procurement and stockpiling of necessary operational supplies likely to be in critical demand in the event of continued emergency should be begun.

10. As soon as space can be allocated, a special intelligence cleared area, with full filing of special intelligence material should be approved as rapidly as possible, where appropriate, as cleared special intelligence channels.

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12. An adequate OSO translation section, centrally administered for economy purposes, should be established and staffed to service the necessary present and future needs of OSO. Particular emphasis should be placed on procuring translators competent to handle the Slavic languages and sufficient liberality with regard to salaries should be exercised to procure competent personnel, it being noted that translators thoroughly competent for OSO purposes are almost impossible to procure at the salary levels generally considered by Civil Service to be adequate for this type of personnel.

13. Planning should start and necessary basic action be taken as soon as possible to set up a skeleton framework for operational teams at Theater and lower levels, for SCI teams, interrogation teams, and teams to handle captured documents in the event of extended military action.

14. Functional files and indices, adaptable to counterespionage War Room type use, should be set up on all Soviet and pertinent satellite intelligence services.

15. Preparation of automatic arrest and wanted lists of Soviet and satellite intelligence personnel and pertinent Communist personalities should be instituted.

16. In addition to the action already in process regarding stay-behind agent nets, responsibility should be allocated for complete overall planning and action to provide for

- a. Coordinated evacuation of our own personnel, including designation of the personnel and equipment that are to attempt to stay in place;

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- c. Special agent teams to be dropped, landed, or otherwise placed in areas most likely to be overrun;

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- d. Fall-back bases later to be established as forward bases in pertinent areas. It is believed that first 25X1A consideration should be given to a [] base, to which our own personnel and the personnel of appropriate foreign intelligence services can initially fall back and which, if the situation permits, can later be used as a forward base for controlling operations in the [] area. Consideration should be given also to immediate preparation for such bases in other areas.

17. As soon as practicable, a revision and tightening of administrative procedures and controls to permit the effective, orderly functioning of OSO in the face of emergency strains and stresses, plus the accelerated influx of new personnel. Among the points to be considered are the establishment of a functioning Executive Conference, composed of Division and Staff Chiefs, operating directly under the ARSO or RARSO; the preparation of manuals of instructions, regulations and procedures, more rigid controls and crosschecks, including an internal inspection procedure and increased administrative and procedural training of personnel.

18. As soon as practicable, a responsible Headquarters representative or representatives should, after full discussion and decision as to the exact position of OSO and CIA, discuss with the responsible heads of major foreign intelligence services with whom we conduct liaison the exact framework of commitments and collaboration between OSO and these services in the face of the present and inevitable future emergencies.

V. RECOMMENDED ACTION

1. That you consider the above proposals, note your concurrence or disagreement with them, and discuss those which you consider necessary with the DCI for his decision.

2. That the proposals outlined above with which you concur then be assigned on an ad hoc basis to the best qualified available staff and division officers of OSO for complete and immediate detailed proposals and actions.

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